Unah division of oistemedan thepat weng

(Other instruction reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

UNIII	: עב	SIAII	L)	
DEPARTMENT	OF	THE	INTER	IOR
				-

	BUREAU OF I	LAND MANAGEM	ENT	U-2376-A	
ADDI I			ILL OR DEEPEN	6. IF INDIAN, ALLOTTER OR TRIBE NA	MB
TYPE OF WORK	LL 🖾	DEEPEN	A Section 1	7. UNIT AGREEMENT NAME	
TYPE OF WELL OIL A GA	8 🗇	\ .'	SINGER MULTIP	1 1 0 1100 0 0 0 0 0 0 0 0 0 0 0 0 0 0	
WELL WE	TLL OTHER			San Juan Federa	1.4-4.4
Wesgra (Corporation -			9. API WELL NO.	
DORRES AND TELEPHONE NO.		•	. Prote 801	10. FIRLD AND POOL. OR WILDCAT	
P.O. Box	310-367, Mex	ican Hati	Stab 84531	Mexicon let	
OCATION OF WELL (Re at surface	port location clearly and	the west	ina	TA REC. T. R. M., OR BLE.	
At proposed prod. sone	. 3441 f	rom the nor	th line NWE	Sec 8, 423, 19E	
	ND DIRECTION FROM NEAR		rich?	12. COUNTY OR PARISH 18. STATE	
	e quarter mil	e .	. NO. O" ACRES IN LEASE	17. NO. OF ACRES ASSIGNED	
DISTANCE FROM PROPU LOCATION TO NEASEST		300'	. NO. 0 RELEGIA 22-22-	TO THIS WALL	
PROPERTY OR LEASE LI (Also to nearest drig	unit line, if any)		PROPOSED DEPTH	20. ROTARY OR CABLE TOOLS	
DISTANCE FROM PROPO TO NEAREST WELL, DE OR APPLIED FOR, ON THE			100'	rotary	
	ther DF, RT, GR, etc.)	1		22. APPROX. DATE WORK WILL ST	ART*
4180	o' estimated	••		ofter apporoval	
		PROPOSED CASING	AND CEMENTING PROGRA	M	
	GRADE, SIZE CASING	WEIGHT PER F')T	SETTING DEPTH	QUANTITY OF CEMENT	
SIZE OF HOLE	8 5/8"	28pd	30'	five sacks	
B 3/4	41/2	14 pd	320	34 a cita	
0 177		,	. •		
		1		•	
% 61179	,5,8,9	on Su	ni.		
3. sur 6. est 7. est 10. pre 11. cir 12. tes	flace formation imated top of imated depth ssure equipue culating mediting, loggin	of water, on the continuation of water, on the continuation of the	oil or gas ot required irf& foam ples only	dridge at around 440' Goodridge around 440' mected, no hydrogen su	oil l r it
3. sur 6. est 7. est 10. pre 11. cir 12. tes 13.abnorma	flace formation imated top of imated depth ssure equipmediting mediting, logginal pressures of	of water, on the continuation of temperat	mation Goo oil or gas ot required ir & foam ples only ures none e	mected, no hydrogen su	
3. sur 6. est 7. est 10. pre 11. cir 12. tes 13.abnorma	flace formation imated top of imated depth ssure equipmediting mediting, logginal pressures of	of water, on the continuation of temperat	mation Goo oil or gas ot required ir & foam ples only ures none e	Goodriage around 440	
3. sur 6. est 7. est 10. pre 11. cir 12. tes 13.abnorma	flace formation imated top of imated depth ssure equipmediting mediting, logginal pressures of	of water, on the continuation of temperat	mation Goo oil or gas ot required ir & foam ples only ures none e	mected, no hydrogen su	
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es	flace formation imated top of imated depth ssure equipment culating mediting, logginal pressures of timated start	of water, of water, ent n um a ng sam of temperat	mation Goo oil or gas ot required ir & foam ples only ures none e ceasonable t	mected, no hydrogen suice after approval	lfit
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es	flace formation imated top of imated depth source equipmed culating mediting, logginal pressures of timated start	first for of water, ent num ang same of temperating time,	mation Goo oil or gas ot required ir & foam ples only ures none e ceasonable t	inected, no hydrogen su ine after approval	lfit
3. sur 6. est 7. est 10. pre 11. cir 12. tes 13.abnorma 14. es	flace formation imated top of imated depth source equipmed culating mediting, logginal pressures of timated start	first for of water, ent num ang same of temperating time,	mation Goo oil or gas ot required ir & foam ples only ures none e ceasonable t	inected, no hydrogen su ine after approval	l î i t
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es	flace formation imated top of imated depth source equipmed culating mediting, logginal pressures of timated start	first for of water, ent num ang same of temperating time,	mation Goo oil or gas ot required ir & foam ples only ures none e reasonable t data on present productive zor vertical depths. Give blowout pre	inected, no hydrogen sure after approved e and proposed new productive zone. If proposal is to the proposed new productive zone.	līit
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es	flace formation imated top of imated top of imated depth source equipments and ting , logging pressures of timated start timated start the proposed programs in the program in the proposed programs in the proposed program	first for of water, ent num ang same of temperating time,	mation Goo oil or gas ot required ir & foam ples only ures none e reasonable t redata on present productive zon vertical depths. Give blowout pre	ine after approval e and proposed new productive zone. If proposal is to venter program, if any. BATE OVER STATE	līit
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es	fiace formation imated top of imated top of imated depth source equipmenting, logging to pressures of timated start the start of the st	first for of water, ent num ang same of temperating time,	mation Goo oil or gas ot required ir & foam ples only ures none e reasonable t redation present productive zon vertical depths. Give blowout pre	e and proposed new productive zone. If proposal is to venter program, if any. DATE 8-34 UTAH DIVISION OF	lfit
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es ABOVE SPACE DESCRIF spen directionally, give per (This space for Fed	flace formation imated top of imated depth source equipments of the culating mediting, logging pressures of timated start the culation of the	first for of water, ent num a sam of temperating time, from and measured and true	mation Goo oil or gas ot required ir & foam ples only ures none e easonable t redata on present productive zor vertical depths. Give blowout pre President OF APPROVAL DATE OIL	e and proposed new productive zone. If proposal is to venter program, if any. DATE STATE UTAH DIVISION OF GAS, AND MINING.	lîi t
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es ABOVE SPACE DESCRIF spen directionally, give per (This space for Fed	flace formation imated top of imated depth source equipments of the culating mediting, logging pressures of timated start the culation of the	first for of water, ent num a sam of temperating time, from and measured and true	mation Goo oil or gas ot required ir & foam ples only ures none e easonable t redata on present productive zor vertical depths. Give blowout pre President OF APPROVAL DATE OIL	e and proposed new productive zone. If proposal is to venter program, if any. DATE STATE UTAH DIVISION OF GAS, AND MINING.	lfit
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13.abnorma 14. es ABOVE SPACE DESCRIF epen directionally, give per (This space for Fed	flace formation imated top of imated depth source equipment of the culating mediting, logging pressures of timated start the start of the culation of the cula	first for of water, ent num a sam of temperating time, from and measured and true	mation Goo oil or gas ot required ir & foam ples only ures none e reasonable t redation present productive zon vertical depths. Give blowout pre	e and proposed new productive zone. If proposal is to venter program, if any. DATE STATE UTAH DIVISION OF GAS, AND MINING.	līi t
3. sur 6. est 7. e t 10. pre 11. cir 12. tes 13. abnorma 14. es ABOVE SPACE DESCRIF spen directionally, give per (This space for Fed PERMIT NO. 43-6 Application approval door CONDITIONS OF APPROV.	flace formation imated top of imated depth source equipment of the culating mediting, logging pressures of timated start the start of the culation of the cula	first for of water, ent num a sam of temperating time, from and measured and true	mation Goo oil or gas ot required ir & foam ples only ures none e reasonable t redata on present productive zon vertical depths. Give blowout pre President OF APPROVAL DATE OIL, puble title to those rights in the activity BY:	e and proposed new productive zone. If proposal is to venter program, if any. DATE STATE UTAH DIVISION OF GAS, AND MINING.	līi t

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Wesgra Corporation
Well No. Tract 4 Well 4
Sec. 8, T.42S., R.19E.
Location:
Surface 38 FWL & 3441 FNI Section 8, T42S, R19E
San Juan County, Utah
Lease U-23761-A

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Wesgra Corporation is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0251 (Principal-Wesgra Corporation) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year form the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

- 1. The conductor pipe must be cemented back to surface. The production casing must be set 25 feet below the bottom of the Shafer Limestone.
- 2. The geologic log (sample strip) must be submitted with the Well Completion Report. Wesgra must ensure that the Well Completion Report is submitted within 30 days of drilling and the report must be accurate and complete.

B. SURFACE STIPULATIONS

 If the well is a producer, all of the area not needed for production will be rehabilitated by respreading the stockpiled topsoil and reseeding with the following seed mixture:

galleta2 pounds per acresand dropseed1 pound per acreIndian ricegrass2 pounds per acreshadscale2 pounds per acreglobe mallow2 pounds per acre

If the well is a dry hole the disturbed areas will be rehabilitated as described above.

- 2. If the drilling will be done during the nesting period for raptors (Feb. 1 July 15) a raptor survey will need to be done. If a nesting site is found within one-half mile of the drill location, drilling will not be allowed during the nesting season for that species.
- 3. If the well goes into production, all pipelines and electical lines will be buried where soil is available and above ground facilities painted a sand beige color.
- 4. There will be no hydrocarbons discharged to the reserve pit.

This well is proposed to be drilled in a lease that has special stipulations attached. However, by locating the well where is it proposed, all of the special stipulations have been met.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

<u>Building Location</u>- Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

<u>Spud</u>- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

<u>Daily Drilling Reports</u>- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Office. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

<u>Drilling Suspensions</u>- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the District Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

<u>Undesirable Events</u>- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

<u>Cultural Resources</u>- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be

coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the District Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

<u>Produced Water</u>- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with a water analysis, if required, will be submitted to the District Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling-Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

<u>Plugging and Abandonment</u>- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Assistant District Manager, Minerals Division within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Jeff Brown or Robert Larsen of the San Juan Resource Area in Monticello, Utah at (801) 587-2141 for the following:

- 2 days prior to commencement of dirt work, construction and reclamation;
- 1 day prior to spudding;
- 50 feet prior to reaching surface casing depth;

If the above cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, notify the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Gary Torres	, Petroleum Engineer	Office: Home:	, ,	259-6111 587-2705
Eric Jones,	Petroleum Engineer	Office: Home:		259-6111 259-2214

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/10/94	API NO. ASSIGNED: 43-037-31749				
WELL NAME: SAN JUAN FEDERAL 4-4A OPERATOR: WESGRA CORPORATION (N	1060)				
PROPOSED LOCATION: NWSW 08 - T42S - R19E	INSPECT LOCATION BY: / /				
SURFACE: 0038-FWL-3441-FNL BOTTOM: 0038-FWL-3441-FNL	TECH REVIEW Initials Date				
SAN JUAN COUNTY MEXICAN HAT FIELD (410)	Engineering				
LEASE TYPE: FED LEASE NUMBER: U-2376-A	Geology Surface				
PROPOSED PRODUCING FORMATION: GRDSI					
RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:				
<pre></pre>	R649-2-3. Unit:				
(Number) N Potash (Y/N)	R649-3-2. General. R649-3-3. Exception.				
M Oil shale (Y/N) Y Water permit (Number C174 OF MEXICAN HAT	Drilling Unit.				
N RDCC Review (Y/N) (Date:)	Board Cause no: 156-3 Date: 4-15-80				
comments: Spudded 12/29	194 BLM approved 11/30/4				
CENTRAL METONG					
STIPULATIONS:					
<u>.</u>					



Company	Wesgra Corporat	ion	<u> </u>	
Well Name & No	San Juan Federa	al Tract 4 #4		
Location	3441' F/NL	38' F/WL		
Sec8, T42 S.,	R. 19 E., S. L. M	., County	San Juan	, Utal
Ground Flouration 4	120' Estimated			

3441'	Section	8	
⊙ 38'			

Surveyed	June 20	10	94
DOLABADO		• •	

Scale, 1 inch = 1,000 feet

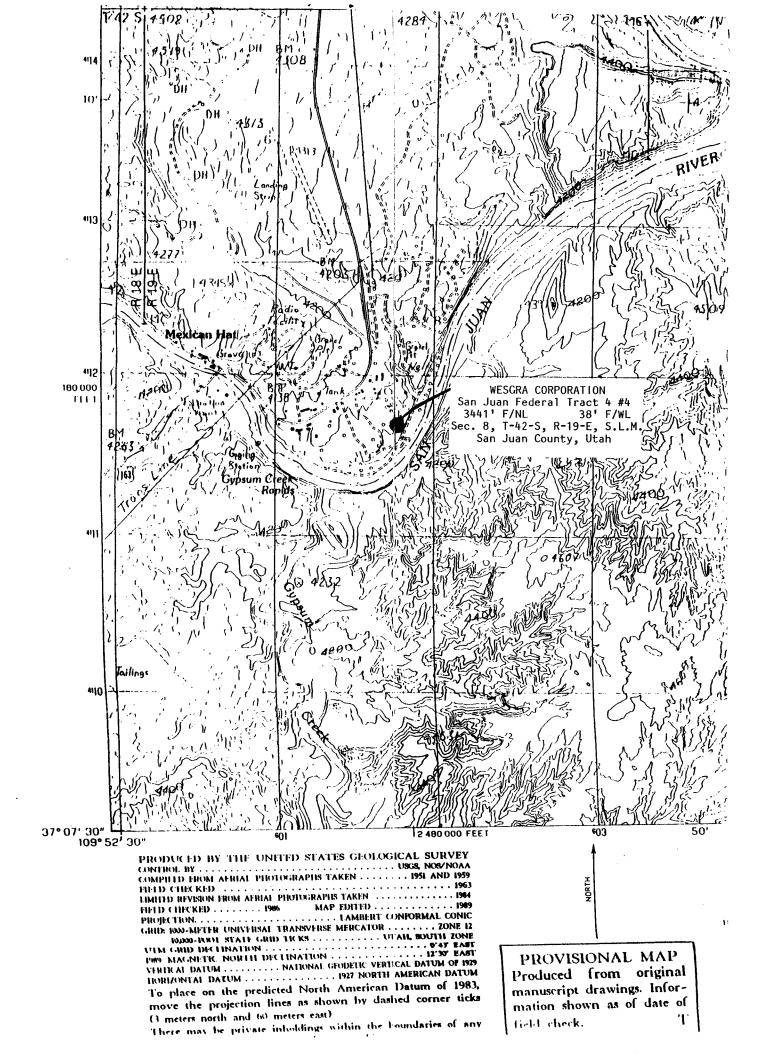
This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal:



Edgar L. Risenhoover.
Registered Land Surveyor
New Mexico Reg. No. 5979

Non-resident certification as authorized by Utah State Law 58-22-21(b)



Form 3160-3 (November 1983) (formerly 9-331C)

UNITED STATES DEPARTMENT OF THE INTERIOR

SUBMIT IN TRECATE*

(Other instruc s on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

	BUREAU OF LAND MANAGEMENT					5. Lease designation and serial no. $U-23761-A$	
APPLICATIO	N FOR PERMIT	TO DRILL, DE	EPEN, OR I	PLUG B	ACK	6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
TYPE OF WORK OF	RILL 🗆 k	DEEPEN [PL	.UG BAC	:к 🗀	7. UNIT AGREEMENT NAME	
	GAS WELL OTHER		SINGLE ZONE	MULTIPI ZONE	E	8. FARM OR LEASE NAME Tract 4 well 4	
ME OF OPERATOR	Corporation					9. WELL NO.	
ODRESS OF OPERATOR	R					4	
	ox 310367, Mex					10. FIELD AND POOL, OR WILDCAT	
At surface	Report location clearly and 38 from the w	in accordance with a lest line	iny State requirem	ents.*)		Mexican Hat	
esed prod. zo		om the nort	h line			11. SEC. T. R. M. OR BLK. AND SURVEY OR ASBA, 19E	
e de la companya de	AND DIRECTION FROM NEA	BEST TOWN OR POST O	FFICE*			12. COUNTY OR PARISH 13. STATE	
	·					San Juan Utah	
	SED*	1	6. NO. OF ACRES IN	LEASE	17. NO. (TO T)	OF ACRES ASSIGNED HIS WELL	
nearest dr	line, fr. lg. unit line, if any)	300'	9		-00		
ANCE FROM PRO AN NEAREST WELL, OR APPLIED FOR, ON TE	PRINCE LOCATION* DRILLING, COMPLETED, HIS LEASE, ST.	1:	9. PROPOSED DEPTH	,		RY OR CABLE TOOLS OTARY	
B 46/5	hether DF, RT, GR, etc.)	<u> </u>	700 '			22. APPROX. DATE WORK WILL START*	
	4120' estimate	eđ.					
	P	ROPOSED CASING	AND CEMENTIN	G PROGRA	14		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING	DEPTH		QUANTITY OF CEMENT	
-4	8 5/8"	28pd	301			five sacks	
6 3/4"	42"	14pd	320			32 sacks	
3. 5 6. 6 7. es 10. x 11. 6 12. t 13. 8 14. 6	surface formate stimated top stimated depth oressure equipoirculating metesting, logg abnormal bressestimated start drill or deepen directional by the start of t	of first for of water, ment no edium a ging sa gires preteting time	oil or gate required ir and for mples only mperature reasons or plug back, sweet and on subsurface in the control of the contr	dam y able t SEP lata on pre	one e i.me a i.me a i.me a i.me a	Goodridge at 211' xpected fter approval Continue and proposed new productive and proposed new productive and give blowout	
SIGNED #	seen	TITLE	Presid	ent		DATE <u>8-31-94</u>	
This stace for Fed	eral or State office use)						
MIT NO			_ APPROVAL DATE	E			
ROVEL BY	VAL, IF ANY:	TITLE				DAT#	

*See Instructions On Reverse Side

Form 3160-3 Form approved. Budget Bureau No. 1004-0136 (November 1983) UNITED STATES Expires August 31, 1985 (formerly 9-331C) DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT U-23761-A G. IF INDIAN, ALLOTTER OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL 1a. TYPE OF WORK 7. UNIT AGREEMENT NAME DRILL []k DEEPEN [PLUG BACK 🗌 b. TYPE OF WELL S. FARM OR LEASE NAME OTHER Tract 4 well 4 2. NAME OF OPERATOR Wesgra Corporation VB9/30/94 3. ADDRESS OF OPERATOR P.O. Box 310367, Mexican Hat, Utah 84531 10. FIELD AND POOL, OR WILDCAT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface 36 from the West line Hexican Hat 11. SEC., T., R., M., OR BLK. 3441 from the north line 19E At proposed prod. zone 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12. COUNTY OR PARISH | 13. STATE San Juan Utah 15. DISTANCE FROM PROPOSED 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL. LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 9 3001 DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS rotary 700**'** 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START* 4120' estimated 23. PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE WEIGHT PER FOOT SETTING DEPTH SIZE OF CASING QUANTITY OF CEMENT 5/8" 301 1 74 five sagks **∠8p**d 42" 3/4" 3201 6 14pd s ೧**.ಆ. ಕ್ರತ** 1,2,4,5,8,9 3. surface formation Supi 6. estimated top of first formation 2111 7.estimated depth of water, oil or gas Oil Goodratag 10. pressure equipment not required 11. circulating medium air and foam 12. testing , logging samples only 13. abnormal pressires pr temperature none expected reasonable time after approval 14. estimated starting time IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive gone and proposed new productive If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout 24. Fresident 43-10.77-171749 /S/ WILLIAM C. STRINGER NOV 30 199 Associate District Manager APPROVED BY CONDITIONS OF APPROVAL, IF ANY :

FLARING OR VENTING OF
CONDITIONS OF APPROVAL ATTACHERS IS SUBJECT TO NTL 4-A

*See Instructions On Reverse Side

Dated 1/1/80

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3160-3 (December 1990)

UNITED STATES DEPARTMENT OF THE INTERIO

Other instructions on reverse side)

Form approved. Budget Bureau No. 1004-0136 Expires: December 31, 1991

EPARTMENT OF THE INTERIOR	AGAMESE DESIGNATION AND SERIAL N
EPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT	U-2376-A
ION FOR PERMIT TO DRILL OR DEEPEN	6. IF INDIAN, ALLOTTER OR TRIBE NAM

APPLICATION I	FOR PERMIT TO D	RILL OR DEEPEN		6. IF INDIAN, ALLOTTER OR TRIBE NAME
. TYPE OF WORK		34 AUG. 1 AM 9: 12	,	
DRILL ☑	DEEPEN []		7. UNIT AGREEMENT NAME
. TYPE OF WELL	· Di	EPARTMENT OF THE HITERI	0R	
OIL CAS WELL	OTHER	REASINGLE TO MAN MULTIE		8. FARM OR LEASE NAME, WELL NO.
NAME OF OPERATOR	OTHER	ZONE CE SONE		Son Juan Federal
Wesgra Corpora	tion			9. API WELLING
		Phone 801	7 O O	
ADDRESS AND TELEPHONE NO.		•	683-12	
P.O. Box J1 <u>0-</u> ₹6′	7, Mexican Hat.	<u> Utah 84531</u>		10. FIELD AND POOL, OR WILDCAT
LOCATION OF WELL (Report location of	learly and in accordance with	any State requirements.		Mexican Int
At surface	\from the west	line		11. SBC., T., R., M., OR BLE.
			_	Sec 8, 428, 19E
At proposed prod. sone	'9%' from the no	oron True	_	560 0, 445, 19E
. DISTANCE IN MILES AND DIRECTION	STORY NEADWAR TOWN OF DOGS	OPPICE		12. COUNTY OR PARISH 13. STATE
		,	•	San Juan Utch
one quarte	\	•		
DISTANCE FROM PROPUSED* LOCATION TO NEAREST		16. NO. OF ACRIS IN LEASE		OF ACRES ASSIGNED HIS WELL
PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if a	300'	8	· ·	3 2
DISTANCE FROM PROPOSED LOCATION	,,	19, PROPOSED DIPTH	20. ROTA	RY OR CABLE TOOLS
TO NEAREST WELL, DRILLING, COMPL OR APPLIED FOR, ON THIS LEASE, FT.		6601) n	otary
		000.	1 1	22. APPROX. DATE WORK WILL START
. ELEVATIONS (Show whether DF, RT, G				22. AFFROX. DATE WORK WILL START
4100' estin	lated			ofter annormal
	PROPOSED CASIN	AND CEMENTING PROGRA	М	
SIZE OF HOLE GRADE, SIZE	CASING WEIGHT PER F	OT SETWING DEPTH		QUANTITY OF CEMENT
SIZE OF HOLE GRADE SIZE	/OM	77 327.110		Quantities of the second

FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A Noted 1/1/80

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED If & SRCOW	President President	DATE 8	34.,
(This space for Federal or State office use)		`	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

Associate District Manager

APPROVED BY ______ DATE ______

	42 ₩		 ∠ .	DEGET VE
ompany	Wesgra Corpora	tion		DEC 5 1994
/ell Name & No	San Juan Feder	al Tract 4 #4		DIV OF OIL, GAS & MIN
cation	3441' F/NL	38' F/WL		THE CHAIN ON SERVING
c. <u>8</u> , T. <u>42</u> S.,	R. <u>19</u> E., S. L. <i>N</i>	I., County	San Juan	, Utah
ound Elevation	120' Estimated			
		والمراجع المستوارية		
			1	,
			!	
			i	
				E2 0 5
1			1	9100
3441'			i	
				1 2
	Section	8		DEPARTMENT AND TO A MERICAL PROPERTY OF PR
			1	
	·		i	
				·
, ₃₈ ,	1			
	! !		1	
	[1		!	
·	1			
	Scole 1 inc	th = 1,000 feet	i	
	, 50016, 1 11K		•	•
urveyed		June 20		, 19_94

Seal:



Edgar L. Risenhoover. Registered Land Surveyor New Mexico Reg. No. 5979

Non-resident certification as authorized by Utah State Law 58-22-21(b)



Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340 801-359-3940 (Fax)

801-538-5319 (TDD)

December 29, 1994

Wesgra Corporation P.O. Box 310-367 Mexican Hat, Utah 84531

Re: San Juan Federal 4-4A Well, 3441' FNL, 38' FWL, NW SW, Sec. 8, T. 42 S., R. 19 E., San Juan County, Utah

Gentlemen:

Pursuant to the order issued by the Board of Oil, Gas and Mining in Cause No. 156-3 dated April 15, 1980, and Utah Admin. R.649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

- 1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules.
- 2. Notification to the Division within 24 hours after drilling operations commence.
- 3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
- 4. Submittal of the Report of Water Encountered During Drilling, Form 7.
- 5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.
- 6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.



Page 2 Wesgra Corporation San Juan Federal 4-4A Well December 29, 1994

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-037-31749.

Sincerely,

R.J. Firth

Associate Director

ldc

Enclosures

cc: San Juan County Assessor

Bureau of Land Management, Moab District Office

WOI1

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: <u>WESGRA COR</u>	RP.		
Well Name: <u>SAN JUAN FEDERAL</u>	TRACT 4-4A		
API NO. 43-037-31749			
Section <u>8</u> Township 4	2S Range 191	County	SAN JUAN
Drilling Contractor <u>QUALI</u>	TY DRILLING	, i	
Rig #1			
SPUDDED: Date 12/28/94			
Time			
How_ROTARY			
Drilling will commence			
Reported by BILL SKEEN			to the second
Telephone #			
•			
Date: 12/29/94	Signed:	JLT	

ENTITY AC	OF OIL. GAS ANI	GM FORM 6	JAN - 6 199 OF OIL, GAS &	5 ADDRE	ss P.O. Bo Mexican Ha	ox 310 at, Ut	367		VGE IN	PHONE		683-229 2 1-89 60
ACTION	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WEL	L NAME		aa sc	WELL TP.	RG		SPUD DATE	DATE
B	00380	00380	43-037-31749	4-4A San Juan Fe	d well#Atı	act 4	NWN 8	425	519E	San Juan	12-28-94	
COMMENTS:	Ent	ity added 1-	-17-95. fec					. 1.				
COMMENTS:										15		

						•	
COMMENTS:					<u> </u>		(
COMMENTS:			- 	 ···	L		

I was given verbale permission to start well

ACTION CODES: A - ESTABLISH NEW ENTITY FOR NEW WELL

please add API number

COMMENTS:

B - ADD NEW WELL TO EXISTING ENTITY

C - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO ANOTHER EXISTING ENTITY

D - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO A NEW ENTITY

E - OTHER (EXPLAIN IN COMMENTS SECTION)

(SEE INSTRUCTIONS)

SIGNATURE

President

1-3-95

TITLE

ATE

Form 3160-4 (November 1983) (formerly 9-330)

UNITED STATES

(See other instructions on

Form approad

Budget Bureau No. 1004-0137
Expires August 31, 1985

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT BUREAU OF LAND MANAGEMENT

4 9 A				
EASE	DESIGNATION	AND	SERIAL	NO.
U.	-23761-	Α		

	WELL CO	MPLETION	4 OF	RECO	MPLETI	ON R	REPORT	Ą	ID-FOG	0. 8 4 1	D. IF INDIA	N, ALLUI	TEE OR TRIBE NAME
1a.	TYPE OF WEL	L: OI	ELL	GAS WELL	DR	y 🗌	Other	the consequent	Jii., GAO	CE IVIII	ZINT AG	REEMENT	NAME
b.	TYPE OF COM								•				
	NEW WELL	OVER DE	N EEP-	BACK BACK	DIFF.	R. 📙	Other				S. FARM OF		
	NAME OF OPERAT										San		n Federal
	Weser ADDRESS OF OPE	a Corpo	rati	on								t 4-	J.
3.	P.O. Box	_{- 31} ∩367	Me	xican	Hat.	Utah	8453	L				• • • • • • • • • • • • • • • • • • • •	, OR WILDCAT
4.	LOCATION OF WE	LL (Report loca	tion cle	arly and in	accordance	with any	y State req	uireme	nts)*		Mexic	an H	at,
	At surface		38	' from	the '	west	line					, R., M., C	R BLOCK AND SURVEY
	At top prod. int	erval reported	below	3441'	from	the	nort!	n li	.ne				42S, 19E
	At total depth								E ISSUED		12. COUNTY	7 OB	13. STATE
						MIT NO.	1710		ec 29,	9),	San San		Utah
15	DATE SPUDDED	16. DATE T.D.	REACH	ED 17. DAT	43-0 E COMPL. (ろ(一) Ready to	1 (47 prod.)		EVATIONS (DE				LEV. CASINGHEAD
10.	12-28-94				-24-95	•		1.5. 22.	4140	,,	,,		
20.	TOTAL DEPTH, MD			CK T.D., MD &	TVD 22.	IF MUL	TIPLE COM	P1 .,	23. INTE	RVALS LED BY	ROTARY TO	OOLS	CABLE TOOLS
	7401					•••				→	rotary		
24.	PRODUCING INTER	RVAL(S), OF TH	IS COMI	LETION—TO	P, BOTTOM,	NAME (N	4D AND TV	D) *				25	. WAS DIRECTIONAL SURVEY MADE
	Т - 4 - 4 - 1	le Loop,	God	se Nes	cks 64	5-67	0					Ì	no
											·	1 27. W	AS WELL CORED
26.	TYPE ELECTRIC			only									No
28.		San	ibres		ING RECO	RD (Ren	ort all stri	nos set	in well)				
40.	CASING SIZE	WEIGHT, L	B./FT.	DEPTH SI			LE SIZE	-		ENTING	RECORD		AMOUNT PULLED
_	8 5/8	28pc	l	30	1	12	基 11		fiv	e sa	cks		
	= 111	17½r		310	<u> </u>	7	/上11		32	sac	ks		
	- 9 2	1721											
									1 00		TUBING RE	CORD	
29 .				ER RECORD	SACKS CE	MENTE	SCREEN	(MD)	30. SIZE		DEPTH SET		PACKER SET (MD)
	SIZE	TOP (MD)	- BOT	TOM (MD)	SACKS CE	MENI	SCREEN	(141)	-				
			_		-								
31.	PERFORATION RE	CORD (Interval,	size an	d number)			32.	A	CID, SHOT,	FRACT	URE, CEME	NT SQU	EEZE, ETC.
							DEPTH	INTERV	AL (MD)	AM	OUNT AND K	IND OF	MATERIAL USED
													
22	•					PRO	DUCTION				-		\
33. DA1	FIRST PRODUCT	TION PR	ODUCTIO	N METHOD (Flowing, g			iz; and	type of pun	ip)		L STATU hut-in)	s (Producing or
	1-24-95	p'	umpi	ng							. *	,, , , , , , , , , , , , , , , , , , ,	POW
DAT	TE OF TEST	HOURS TEST	ED	CHOKE SIZE		N. FOR PERIOD	OIL-BB	L.	GAS-MC	F.	WATER-I	BL.	GAS-OIL RATIO
٦.	-24-95	24				>	_'	<u>bbl</u>	0		0		
PLO	W. TUBING PRESS.	CASING PRES	SURE	CALCULATED 24-HOUR RA	OIL	BBI	GA 	8M CF	· , (WATER-	BBL.	OIL G	RAVITY-API (CORR.)
			dam 4::: 5*						<u> </u>		TEST WIT	VESSED B	: Y
34.	DISPOSITION OF	JAS (Sold, used	jor juei	, ventea, etc.	,								well
35.	LIST OF ATTACH	MENTS			······································					*	<u>· </u>		
0.0	I hereby certify	that the fame	oing on	d attached	Information	is com	olete and o	orrect	as determin	ed from	all available	e records	1
5 6.	. 1 nereby certify	that the fores		iu aitatheu .	vi mativi	com		N.					
	SIGNED 1	CSA	eir		т	TLE	Pres	ider	nt		DA	TE	27-95

104	TOP	NAME MEAS, DEPTH VERT, DEPTH		
	DESCRIPTION, CONTENTS, ETC.			
	e eu	i i		
1 e	BOTTOM	A 1/20	্রিক বিশ্ব বিশ বিশ্ব বিশ্ব বিশ্র বিশ্ব বিশ্র বিশ্ব ব	TO THE RESERVE TO SERVE AND AND ASSESSED ASSESSED.
	TOP		210 275 355 475 595 645	The control of the co
recoveries):	FORMATION		Goodridge Schaffer Mendenhall Hermosa L. Loop G. Necks	A CONTRACTOR OF THE STATE OF TH

FORM 10

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

Page_	1	o.f	4	
rage	•	of	7	

355 West North Temple, 3 Triad, Suite 350, Salt Lake City, UT 84180-1203

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:			UTA	H ACCOUNT NUMBI	ER:N1060	
BILL SKEEN WESGRA CORPORATION PO BOX 367 MEXICAN HAT UT 84531				ORT PERIOD (MONT	H/YEAR): 8 / 95 (Highlight Changes)	
Vell Name	Producing	Well	Days		Production Volumes	
Pl Number Entity Location	Zone	Status	Oper	OIL(BBL)	GAS(MCF)	WATER(BBL)
SAN JUAN FED #3 4303730420 00380 425 19E 8 SAN JUAN TRACT 4-2X	GDRSD					
4303730733 00380 42S 19E 8	GDRSD					
SAN JUAN FEDERAL #16 4303730889 00380 425 19E 8 SAN JUAN FEDERAL 18	GDRSD					
4303731423 00380 425 19E 8 SAN JUAN FED. 21	GDRSD					
4303731431 00380 425 19E 8 SAN JUAN FED. 22	GDRSD					
3731432 00380 425 19E 8	GDRSD					
4303731438 00380 425 19E 8 SAN JUAN FEDERAL 4-4A	GDRSD		-			
4303731749 00380 42S 19E 8 SAN JUAN FED #1	LTLLP	-				
4303730393 00381 42S 19E 8 SAN JUAN FED #2A	GDRSD			,		
4303730397 00381 425 19E 8 SAN JUAN FED A.B.#2	GDRSD					
4303730475 00381 42S 19E 8 SAN JUAN FED #7	GDRSD					·
4303730477 00381 42S 19E 8 SAN JUAN FED #8	GDRSD	-t				
4303730528 00381 42S 19E 8	GDRSD	·				
			TOTALS			
MMENTS:	,					
ereby certify that this report is true and complete to	the best of my	knowledge	·.	r	Date:	
me and Signature:					Telephone Number:	2

Form 3160-5 (June 1990)

UTA → ISION OF OIL, GAS & MIN UNITED STATES DEPARTMENT OF THE INTERIOR CED 20 1995

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

BUREAU OF	LAND MANAGEMENT SEP 20 19	5. Lease Designation and Serial No.
SUNDRY NOTICES	AND REPORTS ON WELLS	Indian Allottee or Tribe Name
Do not use this form for proposals to dr	AND REPORTS ON WELLS ill or to deepen or reentry to a raintee GAS R PERMIT—" for such proposals	A Millian, Another of The Name
Use "APPLICATION FO	R PERMIT—" for such proposals	
OUDMIT	IN TOUR ICATE	7. If Unit or CA, Agreement Designation
	IN TRIPLICATE	
1. Type of Well Oil Gas		8. Well Name and No.
Oil Gas Well Other 2. Name of Operator		o. Well Italie and Ito.
Wesgra Corporation		9. API Well No.
3. Address and Telephone No.		
P.O. Box 310367, Mexican	Hat Utah 84531	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey D	-	11. County or Parish, State
17 small producing oil lease-Goodridge Trust	wells in Sec 8, and 7	11. County of Parish, State
10050		
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE,	REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF A	CTION
Notice of Intent	Abandonment	Change of Plans
	Recompletion	New Construction
L Subsequent Report	Plugging Back	Non-Routine Fracturing Water Shut-Off
First Abandannan Nation	Casing Repair Altering Casing	Conversion to Injection
Final Abandonment Notice	Other	Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
13. Describe Proposed or Completed Operations (Clearly state a	ll pertinent details, and give pertinent dates, including estimated date	
give subsurface locations and measured and true vertice Gentlemen Men:	cal depths for all markers and zones pertinent to this work.)*	
	OF Harman Grand	
	95, Wesgra Corporation become	
	long time partner in the	
The operation will o	continue to operate under th	ne same name
and the address will	remain the same.	
It has always been a	pleasure dealing with you f	folks, you have
always helpful and cor	•	
	Thanks WE &	Reen!
	W. E. (Bi	. •
		Vesgra Corporatoion
	List	Kneell
	Clint Ho	owell Ph 64. 801.68312298
oll commismond	ance will be address to the	ent
all corrispone	ance will be address to the	address listed above
14. I hereby certify that the foregoing is true and correct		
Signed	Title	Date
(This space for Federal or State office use)		
Approved by	Title	Date
Conditions of approval, if any:		and the second of the second o

Division of Oil, Gas and Mining OPERATOR CHANGE HORKSHEET

*NEW OWNER ONLY!

Attach all documentation received by the division regarding this change. Initial each listed item when completed. Write N/A if item is not applicable.

XXX Change of Operator (well sold) □ Designation of Operator

□ Designation of Agent □ Operator Name Change Only

3ATD 3-27
4RF 10-FIL
5 YRM
6.CIE

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 9-1-95

TO (new operator) WESGRA CORPORATION (address) PO BOX 367 MEXICAN HAT UT 84531 CLINT HOWELL (NEW OWNER) phone (801)683-2298 account no. N1060

FROM (former operator) WESGRA CORPORATION

(address) PO BOX 367

MEXICAN HAT UT 84531 BILL SKEEN phone (405)521-8960 account no. N 1060

Hell(s) (attach additional page if needed):

Name: **SEE ATTACHED**	_ API:0373174°	Entity:	Sec_	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec_	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec_	Twp	Rng	Lease Type:
Name:	<u>`</u> API:	_ Entity:	Sec_	Twp	Rng	Lease Type:
Name:	API:	Entity:	_Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	Twp	Rng	Lease Type:
Name:	API:	Entity:	Sec	_Twp_	Rng	Lease Type:

OPERATOR CHANGE DOCUMENTATION

- Le 1. (Rule R615-8-10) Sundry or other <u>legal</u> documentation has been received from <u>former</u> operator (Attach to this form). (led 9-20-95)
- -2. (Rule R615-8-10) Sundry or other <u>legal</u> documentation has been received from <u>new</u> operator (Attach to this form). (lect 9-20-95)
- MA 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) yes, show company file number:
- <u>N/A</u> 4. (For I**ndian and Federal Hells ONLY)** The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- <u>N/A</u> 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above.
- 6. Cardex file has been updated for each well listed above.
- 7. Well file labels have been updated for each well listed above.
- 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- 🖴. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

OPERATOR	CHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.
ENTITY	REVIEH
<u>Lec</u> 1.	(Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
	State Lands and the Tax Commission have been notified through normal procedures of entity changes.
BOND VI	ERIFICATION (Fee wells only) IDLOC #007230 /410,000 "Zions First Nat'l Bank"
Lec 1.	(Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. ** Upon Compl. of Fouring.* A copy of this form has been placed in the new and former operators' bond files.
Jec 3.	The former operator has requested a release of liability from their bond (yes/no) Today's date $\frac{Sept. 21}{25}$, 1995 . If yes, division response was made by letter dated $\frac{Sept. 25}{25}$, 1995 .
LEASE]	INTEREST OWNER NOTIFICATION RESPONSIBILITY
75	(Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 19, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
<u>/4</u> 2.	Copies of documents have been sent to State Lands for changes involving State leases.
FILMING	All attachments to this form have been microfilmed. Date: October 20 1995.
FILING	
	Copies of all attachments to this form have been filed in each well file.
2.	The <u>original</u> of this form and the <u>original</u> attachments have been filed in the Operator Change file.
COMMENT	
<u></u>	
* 1 12 1	

WE71/34-35